

**REMARKS**

Claims 1-10, 13-41, 44-72, and 75-99 are currently pending. In the final Office Action mailed April 16, 2009 (hereinafter, "Office Action"), the Examiner rejected claims 1-5, 7, 8, 13, 14, 32-36, 38, 39, 44, 45, 63-67, 69, 70, 75, 76, 94, 96, and 98 under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,569,897 to Masuda (hereinafter, "Masuda") in view of an article entitled, "Woman, 19, charged with stealing credit cards," published in the Bangor Daily News, Bangor, Maine, November 1, 2003, p. 3 (hereinafter, "Bangor"); rejected claims 6, 9, 10, 37, 40, 41, 68, 71, and 72 under 35 U.S.C. § 103(a) as being unpatentable over Masuda in view of Bangor and "case law"; and rejected claims 15-20, 42, 43, 46-51, 73, 74, 77-82, 95, 97, and 99 under 35 U.S.C. § 103(a) as being unpatentable over Masuda in view of Bangor and Official Notice.

By this Reply, Applicants hereby amend claims 1, 32, and 63. Claims 11-12, 42-43, and 73-74 were previously canceled without prejudice or disclaimer of their subject matter. Claims 21-31, 52-62, and 83-93 were previously withdrawn by the Examiner. Accordingly, claims 1-10, 13-20, 32-41, 44-51, 63-72, 75-82, and 94-99 remain under consideration.

In light of the foregoing amendments and based on the reasoning presented below, Applicants respectfully traverse the rejections under 35 U.S.C. § 103(a), and request allowance of pending claims 1-10, 13-20, 32-41, 44-51, 63-72, 75-82, and 94-99.

**I. Rejections under 35 U.S.C. § 103(a)**

Applicants respectfully traverse the rejection of claims 1-10, 13-20, 32-41, 44-51, 63-72, 75-82, and 94-99 under 35 U.S.C. § 103(a) as being unpatentable over the cited art.

The key to supporting any rejection under 35 U.S.C. § 103(a) is the clear articulation of the reasons why the claimed invention would have been obvious. Such an analysis should be made explicit and cannot be premised upon mere conclusory statements. See M.P.E.P. § 2141, 8<sup>th</sup> Ed., Rev. 6 (Sept. 2007). Furthermore, “[t]he mere fact that references can be combined or modified does not render the resultant combination obvious unless the results would have been predictable to one of ordinary skill in the art” at the time the invention was made. M.P.E.P. § 2143.01(III) (internal citations omitted). In addition, when “determining the differences between the prior art and the claims, the question under 35 U.S.C. § 103 is not whether the differences themselves would have been obvious, but whether the claimed invention as a whole would have been obvious.” M.P.E.P. § 2141.02(I) (internal citations omitted) (emphasis in original).

Here, the cited prior art fails to disclose, *inter alia*, “causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in amended independent claim 1, and similarly recited in amended independent claims 32 and 63.

The Examiner acknowledges, on page 4 of the Office Action, that “Masuda does not explicitly teach that the denial of the application will not allow the purchase to be made . . . .” To overcome this deficiency of Masuda, however, the Examiner cites Bangor, stating that “Bangor teaches that if a credit card is denied it can not be used to pay for a purchase.” Office Action, p. 4.

First, even assuming the Examiner’s assertion is correct, a statement to which Applicants do not assent, **the Examiner’s statements and conclusion are not consistent with the claim recitations.** That is, a denial of a credit card for the payment of a purchase is not the same as “causing the point-of-sale location to prevent the consumer’s purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in amended independent claim 1. As one example of the differences, in the former, the purchaser may continue with the purchase despite the denial of a particular credit card. Conversely, in the latter, which illustrates Applicants’ claim recitations, the applicant for the credit is prevented from purchasing the product if the application is not approved. Moreover, Bangor concerns an existing, previously approved credit card, while claim 1 concerns an “application.”

Indeed, the Examiner acknowledges these significant differences. Specifically, the Examiner states “that the denial of a credit application for the card that was going to pay for a purchase would result in preventing the purchase **unless some other form of payment was used.**” Office Action, p. 4 (emphasis added). Thus, the Examiner recognizes and defines the failure of Matsuda and Bangor to disclose or suggest

“causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in amended independent claim 1, and similarly recited in amended independent claims 32 and 63. Moreover, the Examiner's example shows one of the large gaps between the claimed invention and the disclosures of the cited references, which allow the point-of-sale location to continue with the purchase even if the credit card is denied.

Bangor also suffers from other defects. For example, Bangor reports on the attempted use of stolen credit cards by a set of thieves. In Bangor, when attempting to use the stolen credit cards, the thieves “offered three credit cards in turn, two of which were declined.” Bangor, ¶ 5. Thus, at a minimum, in the disclosure of Bangor there is no “application for the credit card,” as is required by claim 1. Furthermore, the underlying theme of Bangor is the theft of credit cards, which is the antithesis of an application for a credit card. Consequently Bangor cannot teach or suggest, alone or in combination, “causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in amended independent claim 1, and similarly recited in amended independent claims 32 and 63.

Accordingly, neither Masuda, nor Bangor, whether taken alone or in combination, discloses or suggests, at least the above-quoted recitations of amended independent claim 1. Amended independent claims 32 and 63, although of different scope, include recitations similar to those discussed above with respect to amended independent

claim 1. Therefore, for at least the reasons discussed above, there are significant gaps between the independent claims and the teachings of the cited references, and amended independent claims 1, 32, and 63 are nonobvious over Masuda and Bangor, and should be allowed.

Claims 6, 9, 10, 15-20, and 95 depend from amended independent claim 1. Claims 37, 40, 41, 46-51, and 97 depend from amended independent claim 32. Claims 68, 71, 72, 77-82, and 99 depend from amended independent claim 63. As discussed above, a *prima facie* case of obviousness has not been established for the dependent claims because, among other things, Masuda and Bangor do not teach or suggest the recitations of amended independent claims 1, 32, and 63. For example, Masuda and Bangor fail to disclose or suggest, inter alia, "causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved," as recited in amended independent claim 1, and similarly recited in amended independent claims 32 and 63. Conversely, these dependent claims are allowable at least by reason of their dependence from an allowable independent claim.

With respect to claims 6, 9, 10, 37, 40, 41, 68, 71, and 72, which respectively depend from amended independent claims 1, 32, and 63, the Examiner has rejected these claims under 35 U.S.C. § 103(a) as being unpatentable over Masuda in view of Bangor and "case law." Office Action, p. 6. Notwithstanding whether the cited case law is applicable to claims 1, 32, and 63, from which claims 6, 9, 10, 37, 40, 41, 68, 71, and 72 depend, the case law does not overcome the failure of Masuda and Bangor to

disclose or suggest, *inter alia*, “causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in independent claim 1, and similarly recited in independent claims 32 and 63. Conversely, these dependent claims are allowable at least by reason of their dependence from an allowable independent claim. In addition, all the dependent claims are also allowable by virtue of reciting additional nonobvious features not taught nor suggested by the cited references.

With respect to claims 15-20, 42, 43, 46-51, 73, 74, 77-82, 95, 97, and 99, which depend from amended independent claims 1, 32, or 63, the Examiner has rejected these claims under 35 U.S.C. § 103(a) as being unpatentable over Masuda in view of Bangor and Official Notice. Office Action, p. 7. Notwithstanding the propriety of the Official Notice, the subject matter to which the Examiner takes Official Notice does not overcome the failure of Masuda and Bangor to disclose or suggest, *inter alia*, “causing the point-of-sale location to prevent the consumer's purchase of the product if the application for the credit card account received from the consumer through the point-of-sale location is not approved,” as recited in independent claim 1, and similarly recited in independent claims 32 and 63.

Moreover, Applicants object to the Examiner's statements regarding Applicants' traversal of the taking of Official Notice in the Non-Final Office Action. Specifically, the Examiner alleges that “[b]ecause Applicant(s)' traversal is inadequate, the Official Notice statement(s) are taken to be admitted as prior art.” Office Action, p. 2.

Applicants respectfully disagree with the Examiner's position that the traversal was inadequate, and dispute the conclusion that the Official Notice statements are admitted prior art.

According to the M.P.E.P., if Official Notice is taken of a fact, unsupported by documentary evidence, the technical line or reasoning underlying a decision to take such notice must be clear and unmistakable. M.P.E.P. § 2144(B). "The applicant should be presented with the explicit basis on which the examiner regards the matter as subject to official notice and be allowed to challenge the assertion in the next reply after the Office action in which the common knowledge statement was made." Id. More specifically, "[t]he examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge." Id.

In other words, the burden rests **first** with the Examiner to properly take Official Notice. As Applicants argued in the December 19, 2008 Reply to Office Action (hereinafter, "December 19 Reply"), the Examiner failed to meet this burden at least because the Examiner did not provide any reasoning to support the taking of Official Notice. Indeed, the Office Action did little more than repeat the claim recitations.

With respect to claims 15-20, 42, 43, 46-51, 73, 74, 77-82, 95, 97, and 99, the Examiner appears to take Official Notice, stating that "it is old and well known in the art of credit cards to have automatic drafts drawn to them to pay recurrent bills such as cell phone bills," and "it is old and well known in the art of credit card marketing to give away a product for signing up for a credit card account." Office Action, pp. 7-8.

The M.P.E.P. requires that “the notice of facts beyond the record which may be taken by the examiner where the facts asserted to be well known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well known.” As evidenced by the misapplication of the Bangor reference, the facts alleged to be well known by the Examiner are clearly not capable of instant and unquestionable demonstration as being well known. A general allegation that something may be “well known” is not sufficient to support a taking of Official Notice. The basis for the Examiner’s reasoning must be set forth explicitly. Here, the Examiner fails to set forth any reasoning to support the taking of Official Notice.

For at least these additional reasons, the Official Notice does not support the rejection of claims 15-20, 46-51, 77-82, 95, 97, and 99, and the rejection of these claims is thus legally deficient.

Accordingly, Applicants also respectfully request reconsideration and withdrawal of the rejection under 35 U.S.C. § 103(a), and allowance of claims 6, 9, 10, 15-20, 37, 40, 41, 46-51, 68, 71, 72, 77-82, 95, 97, and 99. Further, to the extent the Examiner is relying on personal knowledge in taking Official Notice, Applicants request that the Examiner provide an Affidavit evidencing such knowledge as factually based or legally competent to support the conclusion.



## II. Conclusion

In view of the foregoing amendments and remarks, Applicants submit that is the pending claims are neither anticipated nor rendered obvious in view of the cited art. Applicants therefore request reconsideration and reexamination of this application, and the timely allowance of the pending claims.

In addition, the Office Action contains a number of statements reflecting characterizations of the related art and the claims. Regardless of whether any such statements are identified herein, Applicants decline to automatically subscribe to any statement or characterization in the Office Action.

Please grant any extensions of time required to enter this response and charge any additional required fees to Deposit Account No. 06-0916.

Respectfully submitted,

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